

SECTION 8

GLOSSARY OF TERMS

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Border County – An out of state county that is contiguous with the boundaries of the Commonwealth of Kentucky.

Carrier – A health maintenance organization, insurer or other entity, which has been issued a certificate of authority by the Department of Insurance.

Change in Status – Any event that changes the following:

- (a) legal marital status (marriage, death of spouse, divorce, legal separation or annulment);
- (b) number of dependents of qualifying individuals (for Dependent Care Assistance only), (birth, adoption, placement for adoption, or death of a dependent child);
- (c) employment status (commencement or termination of work; strike or lockout; commencement or return from an unpaid leave of absence; or any benefit eligibility condition that depends on employment status, whereby an employment status change would result in an individual either becoming, or ceasing to be, eligible under a plan for Employee, Spouse or Dependent);
- (d) dependent status (employee's dependent child satisfies, or ceases to satisfy, coverage requirements due to attainment of age, student status or any similar circumstances);
- (e) residence or work site (change in Employee's, Spouse's or Dependent's place of residence or employment); and
- (f) such other events as may be permitted by law or regulation.

COBRA – The Consolidated Omnibus Budget Reconciliation Acts of 1986, as amended, including parallel provisions as outlined in Title XXII of the Public Health Service Act. COBRA allows an employee to continue his/her group health insurance coverage for a period of time.

Contract Year – The year commencing on January 1 and ending on December 31 of each year. For the purposes of this Administration Manual, the terms "contract year" and plan year" are interchangeable.

Couple Coverage – Coverage for the member and his/her eligible covered spouse.

Coverage Level – Single, parent plus, couple or family coverage.

Creditable Coverage - Prior coverage by a covered person under any of the following:

- (A) a group health plan, including church and governmental plans;

- (B) health insurance coverage;
- (C) Part A or Part B of Title XVIII of the Social Security Act (Medicare);
- (D) Medicaid, other than coverage consisting solely of benefits under section 1928 of the Social Security Act;
- (E) the health plan for active and certain former military personnel, including CHAMPUS and TRICARE;
- (F) the Indian Health Service or other tribal organization program;
- (G) a state health benefits risk pool;
- (H) the Federal Employees Health Benefits Program;
- (I) a public health plan as defined in federal regulations;
- (J) a health benefit plan under section 5(e) of the Peace Corps Act; and any other plan which provides comprehensive hospital, medical, and surgical services and meets federal requirements.

Creditable coverage does not include any of the following:

- accident only coverage, disability income insurance, or any combination thereof;
- supplemental coverage to liability insurance;
- liability insurance, including general liability insurance and automobile liability insurance;
- workers' compensation or similar insurance;
- automobile medical payment insurance;
- credit-only insurance;
- coverage for on-site medical clinics;
- benefits if offered separately:
 - (1) limited scope dental and vision;
 - (2) long-term care, nursing home care, home health care, community based care, or any combination thereof; and
 - (3) other similar, limited benefits.
- benefits if offered as independent, non-coordinated benefits:
 - (1) specified disease or illness coverage; and
 - (2) hospital indemnity or other fixed indemnity insurance.
- benefits if offered as a separate policy:
 - (1) Medicare Supplement insurance;
 - (2) supplemental coverage to the health plan for active and certain former military personnel, including CHAMPUS and TRICARE; and
 - (3) similar supplemental coverage provided to group health plan coverage.

Cross Reference – A husband and wife who, as eligible employees of the Public Employee Health Insurance Program, may elect to have both state paid contributions applied to their couple or family coverage.

Dual Employment – any employee who works full-time for different agencies (i.e. school board and state agency) and meets the eligibility requirement for both employers.

Effective Date – The date on which coverage for a covered person begins.

Eligible Person – A person who meets the eligibility requirements of the Commonwealth Group.

Employee – A person who is employed by agencies of the Public Employee Health Insurance Program and eligible to apply for coverage under a Public Employee Health Insurance Program.

Enrollment Date – The first day of coverage of a member and his/her eligible dependents under the certificate, or if this is a waiting period, the first day of the waiting period (typically the date employment begins).

Family Coverage – Coverage for the member, the member's spouse under a legally valid existing marriage and one or more dependent children.

Late Enrollee – An eligible person who requests enrollment in a plan after the initial open enrollment period. An individual shall not be considered a late enrollee if:

- (a) The person enrolls during his/her initial enrollment period;
- (b) The person enrolls during any annual open enrollment period; or
- (c) The person enrolls during a special enrollment period.

Member – An employee, retiree or COBRA participant who is covered by one of the health plans offered by the Commonwealth Group.

Neighboring County – A county or counties that adjoin or are next to a border of the Commonwealth of Kentucky.

Open Enrollment – a defined period of time, which shall be no less than three weeks and determined by the Administrator, prior to the beginning of a Coverage Period during which an employee shall be entitled to elect benefit options for the subsequent coverage period.

Parent Plus – Coverage for the member and eligible dependents except the spouse.

Plan Year – Each successive twelve-month period starting on January 1 and ending on December 31.

Premium – The periodic charges due which the member, or the member's group, must pay to maintain coverage.

Premium Due Date – The date on which a premium is due to maintain coverage under the Commonwealth Group.

Public Employee Health Insurance Program – The group, which is composed of eligible employees of state agencies, boards of education, local health departments, quasi agencies, the Kentucky Community and Technical College System, retirees of the Kentucky Retirement Systems, Teachers' Retirement System, the Legislators Retirement Plan and the Judicial Retirement Plan who are under age 65, and their eligible dependents.

Qualified Beneficiary – Any individual who, on the day before a COBRA Qualifying Event, is covered under the plan by virtue of being on that day a covered person, or any child who is born or placed for adoption with a member during a period of COBRA continuation coverage.

Qualifying Event – A specific situation or occurrence that enables an eligible person to enroll or disenroll outside the designated enrollment period as a result of that person becoming eligible for or losing eligibility for coverage under this plan or another plan.

Retiree – A member of a retirement plan administered by the Kentucky Retirement Systems, Kentucky Teachers' Retirement System, Kentucky Legislators Retirement Plan, Kentucky Judicial Retirement Plan or any other state retirement system, who is under age 65.

Single Coverage – Coverage for the member only.

Special Enrollment Period – A period of time during which an eligible person or dependent who loses other health insurance coverage or incurs a change in status may enroll in the plan without being considered a late enrollee.